

U.S. home sales are rebounding. The sales pace in January was the highest since May 2010, the last month that buyers could qualify for a tax credit. AP

Home re-sales have best winter in 5 years

By Derek Kravitz
The Associated Press

WASHINGTON — U.S. home sales are gradually coming back. A mild winter and a stronger job market have helped boost sales ahead of the crucial spring buying season.

The past two months made up the best winter for sales of previously occupied homes in five years, when the housing crisis began. And the sales pace in January was the highest since May 2010, the last month that buyers could qualify for a federal home-buying tax credit.

February sales dipped only slightly to a seasonally adjusted 4.59 million, the National Association of Realtors said Wednesday. That's 13 percent higher than the sales pace last July and just below the revised 4.63 million in January.

Ian Shepherdson, chief U.S. economist at High Frequency Economics, said the lower February's numbers "should not detract from the key point, which is that sales are trending upward."

The sales pace remains far below the 6 million that economists equate with healthy markets. And the number of first-time buyers, who are critical to a housing recovery, continues to lag normal levels, while foreclosures remain high.

Still, Summer Greene, a real estate agent in Fort Lauderdale, said she's getting multiple offers for listings. That's been rare since the housing market went bust in South Florida.

"People don't want to wait on the sidelines anymore and the change is very noticeable," Greene said. "There's definitely been a mood shift."

The median sales prices of homes rose for the first time in four months in February, to $156,600. And the supply of homes on the market increased more than 4 percent in February to 2.43 million, which could signal that more homeowners became confident in the housing market.

There have been other signs of improvement in the depressed housing market.

Homebuilders have grown more confident in the past six months after seeing more people express interest in buying a home. In February, they requested the most permits to build homes since October 2008.

Mortgage rates are near record lows. And the supply of homes fell in January to its lowest level in seven years.